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**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF CALIFORNIA**

In re:

Victoria Gewalt,
Debtor.

Case No. 21-20600-C -11

Date: March 24, 2021

Time: 11:00 a.m.

Dept: C

Ctrm: 35, 6th Floor

Chapter 11

Judge Christopher M. Klein

**SUBCHAPTER V CHAPTER 11 STATUS CONFERENCE REPORT
FOR MARCH 24, 2021 STATUS CONFERENCE
[11 U.S.C. § 1188]**

Subchapter V Chapter 11 Debtor and Debtor-in-Possession Victoria Gewalt provides this
Status Conference Report for the continued status conference to be held March 24, 2021.

Statutory Duties. Debtor has a prepetition bank account with Mechanics Bank,
Mechanics Bank has received notice of the present case. Debtor has filed a copy of her most
current tax return with the Court pursuant to 11 U.S.C. 1187(a), 1116(a)(1) and 1116(1)(B). She
did not have a current balance sheet, statement of operations or cash-flow statement.

1 **History of the Debtor.** Debtor filed the present voluntary Chapter 11 case under
2 Subchapter V of the Bankruptcy Code on February 22, 2021. Walter Dahl has been appointed
3 Subchapter V Trustee. Debtor and her late husband were involved in real estate development,
4 acquisition and sales for approximately thirty years. Debtor has experienced serious reverses in
5 her real estate investments since 2008. She has sold properties over the last few years and
6 borrowed against remaining properties at increasingly disadvantageous terms in an effort to
7 retain properties. The immediate cause of the present case was a Trustee's Sale of her residence
8 that was continued to February 24, 2021.
9

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11 **Type of Plan.** Debtor hopes for the confirmation of a consensual Plan of Reorganization.
12 Her Plan of Reorganization will be a liquidating plan. Debtor intends to sell investment real
13 property in California and Texas to pay the debt secured by the investment properties as well as
14 the debt secured by her residence. Some of Debtor's interests are undeveloped real property held
15 directly by the Debtor or in Partnerships owned by the Debtor and other parties. These properties
16 may require extended marketing periods. However, there are at least four parcels that are
17 immediately marketable including 490 Club Drive, Tahoe City, California, 801 and 807 Wheelock
18 Street, Franklin, Texas (36- and 16-unit apartment buildings) and 4403 Carter Creek, No. 6, Bryan,
19 Texas a vacant two-bedroom, one bath condominium. It is anticipated that a Plan of
20 Reorganization will be filed prior to the Status Conference.
21

22 **Valuation of Assets.** Debtor does not anticipate any litigation regarding valuation of
23 assets.

24 **Cash Collateral.** Debtor does not anticipate cash collateral issues in this case. The two
25 apartment buildings generating rents are operated by a Limited Liability Company owned
26 by the Debtor.

27 **Adversary Proceedings.** Debtor does not anticipate filing any adversary proceedings.

28 **Environmental Issues.** Debtor is unaware of any environmental issues that impact the
Debtor or might impair future business operations.

Status Conference Report